

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO

10123-1

IN RE:

INSTITUTO MEDICO DEL NORTE, INC.
a/k/a CENTRO MEDICO WILMA N. VAZQUEZ
a/k/a HOSPITAL WILMA N. VAZQUEZ SKILL
NURSING FACILITY OF CENTRO MEDICO
WILMA N. VAZQUEZ


CASE NO. 13-08961(ESL)

CHAPTER 11

Debtor

**APPLICATION FOR LEAVE TO RETAIN JULIO A. GALINDEZ,
Managing Partner; ALEX RAMIREZ MARCOS, Tax Partner and
LEVI D. VILLEGAS, Tax Director Of FPV & GALINDEZ, CPA's PSC,
CERTIFIED PUBLIC ACCOUNTANTS**

TO THE HONORABLE COURT:

 The application of the Debtor in Possession herein, respectfully represents and prays:

1. Applicant herein is duly appointed Debtor in Possession in the above captioned case.
2. Applicant continues to operate the business as Debtor in Possession.
3. Certified Public Accountants Services are required in the reorganization process of the Debtor:

Mr. Julio A. Galindez:

He will audit the Company's financial statements as of and for the year ended December 31, 2013 and will issue a report thereon as soon as reasonably possible after completion of our work.

The report will also include the preparation of the Company's states tax returns for the year ended December 31, 2013.

- | | |
|--|-----------------|
| a) Corporation Income Tax | April 15, 2014. |
| b) Estimated Corporation Income Tax | April 15, 2014. |
| c) Corporation Property Tax | April 15, 2014. |
| d) Puerto Rico Domestic Corporation Report | April 15, 2014. |

e) Declaration of Volumen of Business April 23, 2014.

It will also include **management consulting services on third-party reimbursement** as follows:

a) They will assist the Company's finance director in the determination of statistical data required for the preparation of the Medicare Reimbursable Cost Report.

b) They will ascertain that proper consideration is made of prior year audit adjustments made by the auditors of the fiscal intermediary and will prepare such other cost elimination and/or additions as required.

c) They will prepare the cost reports and will ascertain that a proper maximization of costs is made where warranted.

d) They will ascertain completeness of the cost reports before filing.

Finally they will assist debtor with the preparation of the Agreed Upon Procedures Report of Instituto Médico del Norte, Inc. (THE COMPANY) as required to be filed with the Puerto Rico Treasury Department for the request of waiver for the additional gross income tax imposed by Act 40-2013 and pursuant to Circular Letter No. 13-05.

Mr. Axel Ramirez and Mr. Levi D. Villegas: Members of the CPA Firm

The purpose of their engagement is to apply for and to try to obtain a tax exemption decree for the Instituto under Act No. 168 of June 30, 1968 (Act 1968).


4. Applicant wishes to retain FPV & Galindez, CPA's PSC ("FPV") as its ***audit services, tax services, and management consulting services*** advisors, in the exercise of their powers and duties, on all financial matters pertaining to the reorganization in its Chapter 11 proceedings.

5. The aforesaid accounting firm and its principal, is known to Applicant to be experienced in accounting matters and thoroughly competent to perform their duties as ***audit services, tax services, and management consulting services*** advisors. Applicant includes Appended hereto as Exhibit A copy of the Curriculum Vitae of Julio A. Galindez, Axel Ramirez and Levi D. Villegas.

6. To the best of Applicant's knowledge, the said FPV & Galindez, CPA's PSC, or any of its associates, do not have any relation with:

- (a) creditors; any other party in interest;
- (b) attorneys for creditors or any other party in interest;
- (c) accountants for creditors, debtor or any other party in interest,
- (d) the U.S. Trustee;
- (e) any person employed by the U.S. Trustee;

7. The applicant further believes that in the discharge of their duties as **audit services, tax services, and management consulting services** advisor for the Debtor in Possession, FPV will not hold or represent any interest adverse to the herein Estate and is a disinterested party as required by 11 U.S.C.327(a).



8. The rates that will be used by Debtor to compensate you applicant will be those approved by Debtor and the Court of interim and/or final applications for services under 11 U.S.C., sections 330 and 331, and applicable Local Bankruptcy Rules 2016. At least every 120 days the applicant will request the Court to approve the fees billed. The fees are not contingent, however are subject to availability of funds in the estate and reimbursement of interim compensation if the estate is insolvent. Time expended for authorized services will be the normal standard by which fair and reasonable compensation is measured as approved by the Court in other bankruptcy cases and detailed in the attached engagement letter. Travel time will be billed at 50% of approved timely rates in trips exceeding one hour round-trip. The rate per hour is included in **Exhibit 1** to this application.

9. The Debtor believes that the applicant is eminently qualified to provide the services required from them because he is a **Certified Audit Services, Tax Services, and Management Consulting Services** Advisor and due to the extensive experience in accounting cases and his understanding of the complex matters pertaining to this case. Debtor also believes that the retention of the applicant is in the best interest of the Debtor and the Estate.

WHEREFORE, the Applicant prays to this Honorable Court the entry of an Order granting leave to retain FPV & Galindez, CPA's PSC, as I **Audit Services, Tax Services, and Management Consulting Services** Advisors for the Debtor in Possession in the present Chapter 11 proceeding, and in relation to all reorganization matters.

CERTIFICATION

I, JOSE ORLANDO PABON, certify under penalty of perjury that I have read the above Application and that the statements made herein are true and correct to the best of my knowledge, information and belief. A copy of this application has been filed in the Office of the United States Trustee, for the District of Puerto Rico.

Executed this 4 day of December 2013.

A handwritten signature in black ink, appearing to read 'Jose Pabon', is written over a horizontal line.

INSTITUTO MEDICO DE NORTE, INC.
Debtor In Possession

UNITED STATES BANKRUPTCY COURT
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10123-1

IN RE:

INSTITUTO MEDICO DEL NORTE, INC.
a/k/a CENTRO MEDICO WILMA N. VAZQUEZ
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NURSING FACILITY OF CENTRO MEDICO
WILMA N. VAZQUEZ

CASE NO. 13-08961(ESL)

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VERIFIED STATEMENT PURSUANT TO LOCAL BANKRUPTCY RULE 2014-1

I, Julio A. Galindez of FPV & Galindez, CPA's PSC, make the following disclosures under penalty of perjury:

That I am a Certified Public Accountant since 1990, that I am the Managing Partner of FPV & Galindez, CPA's PSC and that this firm provides Audit Services, Tax Services and Management Consulting Services since January 1, 2008. The firm has offices at 19 Ponce Street, San Juan, Puerto Rico, and provides accounting support services, audit, management, consulting and financial planning services to companies with financial difficulties.

FPV & Galindez, CPA's PSC, includes 25 CPA's and over 50 professionals, including tax specialists, auditors and financial consultants to facilitate and support the reorganization procedures in the most cost effective way for the benefit of the Estate.

That to the best of my professional knowledge, FPV & Galindez, CPA's PSC, its principal Julio A. Galindez, CPA, and any other of the professionals of the firm, hold no professional relation with the Debtor's attorneys or creditors of the Estate, prior accountants, the United States Trustee or any person employed by the United States Trustee's Office or any other party in interest neither in the present nor in any related matter. Furthermore, the firm, its principal, and the professionals employed hold or represent no adverse interest to the Estate.

We have provided in the past services to other debtors in Chapter 11 cases represented by F. David Godreau.

Considering the above, I know of no reason why FPV & Galindez, CPA's, PSC and Julio A. Galindez, as Certified Public Accountants for the Debtor, should not be considered a disinterested party within the meaning of Section 101 (3) and 327 of the Bankruptcy Code. There is no agreement whatsoever with a third party for the sharing of the fees in this case.

Applications for compensation will be prepared and filed as per Local Bankruptcy Rule 2016-1. We are aware that all interim compensation approved by the Court and paid by the Debtor are contingent upon availability of sufficient cash to pay all professionals in full. If the estate is unable to pay in full all professionals, interim fees and expenses approved and paid may be required to be returned and redistributed.

In San Juan, Puerto Rico, this 3 day of December 2013.

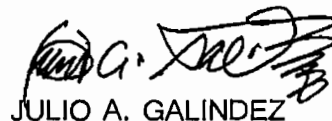
I, Julio A. Galindez, certify under penalty of perjury that:

(a) I have drafted the above document and the statements made therein are true and correct to the best of my professional knowledge, information and belief;

(b) I will amend this statement immediately upon my learning that any of the representations made herein are incorrect, or there is any change of circumstances relating thereto;

(c) A copy of this statement has been served at the Office of the United States Trustee for the District of Puerto Rico.

Executed this



JULIO A. GALINDEZ

FPV & GALINDEZ, CPA's PSC

PO BOX 364152

SAN JUAN PR 00936-4152

JULIO A. GALÍNDEZ FELICIANO, CPA
FPV & GALINDEZ, CPAs, PSC

Present Position: Managing Partner

Relevant experience: Over 25 years of experience in healthcare audit and consulting services.

Education: Graduated from the University of Puerto Rico, Cayey Campus BBA – Major in Accounting

Professional and Civic: American Institute of Certified Public Accountants
Puerto Rico Society of Certified Public Accountants
Healthcare Financial Management Association

Major Clients Served: Hospital de la Concepción, Inc.
Sociedad Española de Auxilio Mutuo y Beneficiencia de Puerto Rico
Ashford Presbyterian Community Hospital
Fundación Hospital Damas, Inc.
Hospital Comunitario Buen Samaritano, Inc.
Hospital San Carlos Borromeo
Servicios Médicos Universitarios, Inc.
Hospital Bella Vista
Plan de Salud Bella Vista
Auxilio Platino, Inc.
Correctional Health Services Corporation
Hospital Dr. Pila
Cardiovascular Center of Puerto Rico and the Caribbean
Puerto Rico Medical Services Administration
Metro Pavía Health Services
San Jorge Children's Hospital
Hospital Doctors' Center, Inc.
Hospital Doctors' Center Bayamón, Inc.
Hospital Doctors' Center San Juan, Inc.
Hospital Doctors' Center Arecibo, Inc.
APS Healthcare of Puerto Rico, Inc.
Dorado Health, Inc. (Hospital Área de Manatí)
Mayagüez Medical Center – Dr. Ramón Emeterio Betances, Inc.
MetroHealth, Inc. and Affiliates
Yauco Health, Corp.
Southwest Healthcare Corporation
Hospital Susoni
Hospital Cayetano Coll y Toste
Instituto Médico del Norte, Inc. (dba Hospital Wilma N. Vázquez)
Hospital San Cristóbal
Hospital San Francisco

AXEL RAMÍREZ, CPA, MST
FPV & GALINDEZ, CPAs, PSC

<i>Present Position:</i>	Tax Partner
<i>Relevant experience:</i>	Over 15 years of experience as a Tax Consultant including clients in telecommunications, retailing, healthcare, construction industry, and non – Profit Organization.
<i>Education:</i>	Marquette University, Milwaukee, WI 1994 BBA – Major in Accounting Bentley College, Boston, MA – 1996 MST – Master in Science of Taxation
<i>Professional and Civic:</i>	American Institute of Certified Public Accountants Puerto Rico Society of Certified Public Accountants – Tax Committee Healthcare Financial Management Association
<i>Major Clients Served:</i>	Amgen Auxilio Mutuo Hospital BASF Pharmaceutical DirecTV Dr. Pila Hospital El Presby Empresas Caparra First Hospital Panamericano First Medical MAB Management Mennonite Hospital Metro Pavia Health System San Jorge Childrens Hospital Servicios de Salud Episcopales, Inc. UMECO, Inc. VWR Advanced Instruments

LEVI VILLEGAS FIOL, CPA, CVA
FPV & GALINDEZ, CPAs, PSC

<i>Present Position:</i>	Director
<i>Relevant experience:</i>	Over 16 years of public accounting experience including clients in telecommunications, retail, wholesale, construction industry, manufacturing, and healthcare
<i>Education:</i>	Graduated from the University of Puerto Rico BBA – Accounting 1997 Certified Valuation Analyst
<i>Professional and Civic:</i>	American Institute of Certified Public Accountants Puerto Rico Society of Certified Public Accountants Member of the Legislation Committee of the Society of CPA Member of the Tax Committee of the Society of CPA National Association of Certified Valuation Analysts (NACVA)
<i>Major Clients Served:</i>	ATT Autopistas Metroplitanas de PR Ballester Hnos. Bayer Puerto Rico, Inc. Berlitz Puerto Rico, Inc. Brenntag Puerto Rico, Inc. Constructora Las Américas General Motors Company Instituto Médico del Norte Liberty Cablevision of PR MEPSI Center Motorambar Primus Telecommunications TYCO Healthcare (Mallinkrodt Puerto Rico) Vieques Air Link